GOVERNMENT OF INDIA
STEEL
LOK SABHA

STARRED QUESTION NO:85
ANSWERED ON:27.02.2001
PERFORMANCE OF STEEL AUTHORITY OF INDIA
BHARTRUHARI MAHTAB

Will the Minister of STEEL be pleased to state:

(a) whether SAIL has shown an improvement in its financial performance during the current fiscal year;

(b) if so, the details thereof;

(c) whether the Steel major recorded a profit of Rs. 166 crore in nine month period ending December, 2000;

(d) whether the quarterly financial results have shown steady progress despite steep decline in the market price;

(e) if so, the time by which SAIL is likely to be free from the debt burden; and

(f) the total borrowing and the interest accumulated thereon ?

Answer

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a)to(f): A statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (F) OF THE LOK SABHA STARRED QUESTION NO.85 T ANSWERED ON 27.2.2001 TABLED BY SHRI BHARTRUHARI MAHTAB REGARDING PERFORMANCE OF STEEL AUTI OF INDIA.

(a)to(c): Steel Authority of India Limited(SAIL) has shown improvement in its financial performance during first three quarters of the current financial year as will be evident from the following particulars:

(Rs.in crores)

	2000-2001 (Apr-Dec.,2000)	1999-2000 (Apr-Dec.,99)
Gross margin	1507	504
Interest	1341	1643
Cash profit	166	-1139
Depreciation	864	925
Net profit/loss(-)	-698	-2065

(d)&(e): The average net sales realisation for the integrated steel plants of SAIL declined during the third quarter. However the loss was relatively less in this quarter because of the additional provision made for leave encashment during the first two quarters.

(f) The outstanding borrowing at the end of December, 2000 was Rs.14630 crores. Interest payments are being made by SAIL on due date.